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**VIA ELECTRONIC FILING**

Jocelyn G. Boyd, Esquire  
Chief Clerk & Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

RE: Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for Approval of CPRE Queue Number Proposal, Limited Waiver of Generator Interconnection Procedures, and Request for Expedited Review  
**Docket No. 2018-202-E**

Dear Ms. Boyd:

On April 3, 2019, the South Carolina Public Service Commission (“Commission”) issued a Directive in the above referenced Docket requiring parties to provide an update to the stakeholder process within 60 days of the date of the Directive. ORS provides the following comments in response to the Directive.

On May 16, 2019, subsequent to the Directive issued in this Docket, the Governor signed into law the South Carolina Energy Freedom Act (“H.3659” or the “Act”).<sup>1</sup> The Act contains provisions that will directly impact the issues raised in this Docket. Specifically, provisions of the Act impact S.C. Code § 58-27-460 as follows:

1. Section 58-27-460 (A)(1): “The commission shall promulgate and periodically review standards for interconnection and parallel operation of generating facilities to an electrical utility's distribution and transmission system, where such interconnection is under the jurisdiction of the commission pursuant to Title 16

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<sup>1</sup> See Attachment 1: H.3659

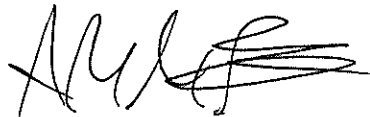
Chapter 12, Subchapter II of the United States Code, as amended, regulations and orders of the Federal Energy Regulatory Commission, and the laws of South Carolina. Each electrical utility shall implement such standards in a fair, nondiscriminatory manner.”

2. Section 58-27-460 (A)(2): “The commission shall, within six months of the effective date of the amendments to this section, establish proceedings for the purpose of considering revisions to the standards promulgated pursuant to this section. In developing such revisions, the commission may consider any issue, which, in the exercise of its discretion, the commission deems relevant to improving the fairness and effectiveness of the procedures.”
3. Section 58-27-460 (A)(3): “In implementing item (1), the commission shall ensure such standards provide for efficient and timely processing of interconnection requests and take into account the impact of generator interconnection on electrical utility system assets, service reliability, and power quality. Such standards shall address the impact of the addition of energy storage and the interconnection processes for amending existing interconnection requests to include energy storage. The commission shall enact standards that are fair, reasonable, and nondiscriminatory with respect to interconnection applicants, other utility customers, and electrical utilities, and the standards shall serve the public interest in terms of overall cost and system reliability.”
4. Section 58-27-460 (C): “In the event of a dispute between an interconnection customer and the electrical utility on an issue relating to interconnection service, the parties first shall attempt to resolve the claim or dispute using any dispute resolution procedures provided for pursuant to the applicable interconnection standards promulgated by the commission. If the parties are unable to resolve such claim or dispute using those procedures, then either party may petition the commission for resolution of the dispute including, but not limited to, a determination of the appropriate terms and conditions for interconnection. The commission shall resolve such disputes within six months from the filing of the petition in accordance with the terms of applicable state and federal law.”
5. Section 58-27-460 (D): “Each electrical utility shall comply with the South Carolina generator interconnection procedures and all commission-approved agreements regarding interconnection practices and reporting requirements. The commission shall establish reasonable guidelines to ensure reasonable interconnection timelines, including time requirements to deliver a final system impact study to all interconnection customers that execute a system impact study agreement prior to three months after the effective date of this act. The commission shall consider implementation of additional performance incentives and enforcement mechanisms for electrical utilities to ensure compliance with this requirement.”

6. Section 58-27-460 (E): “The commission shall, as part of implementing (A)(1), consider whether a comprehensive independent review of interconnection should be performed and consider whether to require each electrical utility to:
  - A. conduct a study to determine the scope and cost of necessary transmission upgrades to support development of renewable energy resources in a manner that does not impact reliability;
  - B. evaluate the cost of developing and maintaining hosting capacity maps to allow power producers to identify areas of the distribution grid that are more amenable to building and interconnecting their generation facilities and to avoid areas that are already saturated with distributed generation; and
  - C. file a list of interconnected facilities with the commission each quarter, to include interconnections that are under the jurisdiction of the Federal Energy Regulatory Commission.”

Due to these requirements and for judicial economy purposes, ORS recommends the Commission address the issues raised in this Docket in the proceedings required under Section 58-27-460 (A)(2).

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew M. Bateman', with a stylized, overlapping flourish at the end.

Andrew M. Bateman

cc: All Parties of Record (via E-mail)  
Joseph Melchers, Esquire (via E-mail)